



DOUGLAS COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 2000-100  
September 25, 2000  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**AUDIT REPORT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

September 2000

[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Douglas, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

-----  
This audit of Douglas County was a financial and compliance audit of various county operating funds. The following concerns were noted as part of the audit:

- The county does not have adequate procedures in place to track federal awards for the preparation of the schedule of expenditures of federal awards. The county's schedule contained numerous errors and omissions. In 1999 the county reported expenditures for only two of its 19 federal programs, resulting in a significant understatement. Without an accurate schedule, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.
- In July 1997, the county was awarded \$54,040 in federal assistance from the U.S. Department of Justice under the COPS Universal Hiring program, and in April 1998, they were awarded another \$54,040 as part of a supplemental award.

The Sheriff's department was responsible for filing requests for payment under this grant program, and as of August 2000, had made only one request. The County received \$21,133 in grant funds in June 1998. As a result, \$52,607 in available grant funds through June 30, 2000 has been expended, but has not been requested or received by the county.

The failure to submit requests for payment on a timely basis places an unnecessary financial burden on the county and could result in the loss of grant funds.

The audit also includes some other matters upon which the county should consider and take appropriate corrective action.

**Copies of the audit are available upon request.**

YELLOW SHEET

DOUGLAS COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
State Auditor's Reports: .....	2-6
Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	5-6
Financial Statements: .....	7-25
<u>Exhibit</u>	<u>Description</u>
	Statement of Receipts, Disbursements, and Changes in Cash - Various Funds
A-1	Year Ended December 31, 1999 .....
A-2	Year Ended December 31, 1998 .....
	<u>General Revenue Fund</u>
B	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....
	<u>Special Road and Bridge Fund</u>
C	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....
	<u>Assessment Fund</u>
D	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....
	<u>Law Enforcement Training Fund</u>
E	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....

DOUGLAS COUNTY, MISSOURI

TABLE OF CONTENTS

Page

FINANCIAL SECTION

---

Financial Statements:

<u>Exhibit</u>	<u>Description</u>	
F	<u>Prosecuting Attorney Training Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	14
G	<u>Prosecuting Attorney Bad Check Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	15
H	<u>Law Enforcement Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	16
I	<u>Recorder User Fee Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	17
J	<u>Local Emergency Planning Commission Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	18
K	<u>Victims of Domestic Violence Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	19
L	<u>Sheriff Civil Fee Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	20

DOUGLAS COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Financial Statements:	
<u>Exhibit</u>	<u>Description</u>
M	<u>Combined Enforcement Team Fund</u> Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Year Ended December 31, 1999 .....21
N	<u>Sheriff Equipment Fund</u> Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Year Ended December 31, 1999 .....22
O	<u>Family Access Fund</u> Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Year Ended December 31, 1999 .....23
P	<u>Health Center Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....24
Q	<u>Support the Handicapped Board Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....25
	Notes to the Financial Statements ..... 26-30
	Supplementary Schedule: ..... 31-33
	Schedule of Expenditures of Federal Awards, Years Ended December 31, 1999 and 1998 ..... 32-33
	Notes to the Supplementary Schedule ..... 34-36
<u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u>	
	State Auditor's Report: ..... 38-40

DOUGLAS COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<hr/> <u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u> <hr/>	
Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	39-40
Schedule:.....	41-45
Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action), Years Ended December 31, 1999 and 1998.....	42-46
Section I - Summary of Auditor's Results.....	42-43
Section II - Financial Statement Findings.....	43
Section III - Federal Award Findings and Questioned Costs.....	43-46
<u>Number</u>	<u>Description</u>
99-1.	Schedule of Expenditures of Federal Awards.....
99-2.	COPS Grant Procedures.....
	43-45
	45-46
Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	47-48
Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133 .....	49-50
<hr/> <u>SECTION OF OTHER MATTERS</u> <hr/>	
Letter on Other Matters.....	52-53

FINANCIAL SECTION

State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS

To the County Commission  
and  
Officeholders of Douglas County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Douglas County, Missouri, as of and for the years ended December 31, 1999 and 1998, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

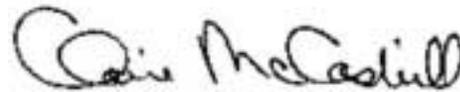
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Douglas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Douglas County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Douglas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31,

1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated August 7, 2000, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.



Claire McCaskill  
State Auditor

August 7, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Donna Christian, CPA
In-Charge Auditor:	April McHaffie, CPA
Audit Staff:	Ted Fugitt, CPA
	Jody Vernon, CPA
	Bryan Meadows



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Douglas County, Missouri

We have audited the special-purpose financial statements of various funds of Douglas County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

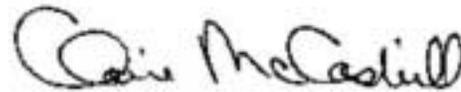
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Douglas County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Douglas County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over

financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Douglas County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill  
State Auditor

August 7, 2000 (fieldwork completion date)

## Financial Statements

Exhibit A-1

DOUGLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH-VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 430,490	1,064,582	1,129,511	365,561
Special Road and Bridge	110,919	885,341	931,834	64,426
Assessment	11,245	118,134	107,528	21,851
Law Enforcement Training	790	1,152	1,397	545
Prosecuting Attorney Training	456	471	779	148
Prosecuting Attorney Bad Check	1,627	7,263	4,278	4,612
Law Enforcement	835	1,059	1,883	11
Recorder User Fee	7,026	6,133	6,433	6,726
Local Emergency Planning Commission	2,288	1,711	1,687	2,312
Victims of Domestic Violence	119	548	592	75
Sheriff Civil Fee	2,426	4,990	5,940	1,476
Combined Enforcement Team	1,512	23	1,463	72
Sheriff Equipment	639	8,322	4,848	4,113
Family Access	25	127	0	152
Health Center	128,883	682,222	648,032	163,073
Support the Handicapped Board	175,676	75,477	49,378	201,775
Prosecuting Attorney Delinquent Tax	826	887	164	1,549
County Bridges	0	24,453	24,453	0
Sheriff's Equitable Sharing	0	51,416	50,589	827
Circuit Clerk Interest	4,505	1,443	87	5,861
Law Library	10,063	2,993	7,403	5,653
Associate Circuit Division Interest	2,907	733	247	3,393
Total	\$ 893,257	2,939,480	2,978,526	854,211

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

DOUGLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH-VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 419,471	1,041,260	1,030,241	430,490
Special Road and Bridge	116,353	826,593	832,027	110,919
Assessment	6,294	122,703	117,752	11,245
Law Enforcement Training	558	1,138	906	790
Prosecuting Attorney Training	440	538	522	456
Prosecuting Attorney Bad Check	1,521	6,983	6,877	1,627
Law Enforcement	3,780	2,585	5,530	835
Recorder User Fee	6,894	6,195	6,063	7,026
Local Emergency Planning Commission	3,313	1,699	2,724	2,288
Victims of Domestic Violence	621	598	1,100	119
Sheriff Civil Fee	2,585	6,526	6,685	2,426
Combined Enforcement Team	3,106	29	1,623	1,512
Sheriff Equipment	630	9	0	639
Family Access	0	25	0	25
Health Center	180,494	667,425	719,036	128,883
Support the Handicapped Board	148,882	57,306	30,512	175,676
Prosecuting Attorney Delinquent Tax	559	267	0	826
County Bridges	0	76,251	76,251	0
Circuit Clerk Interest	3,314	1,245	54	4,505
Law Library	7,817	2,619	373	10,063
Associate Circuit Division Interest	2,220	1,496	809	2,907
Total	\$ 908,852	2,823,490	2,839,085	893,257

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit B

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 70,000	82,209	12,209	63,000	72,426	9,426
Sales taxes	580,000	617,265	37,265	565,000	579,563	14,563
Intergovernmental	165,197	175,111	9,914	90,500	167,731	77,231
Charges for services	154,958	148,476	(6,482)	119,666	159,567	39,901
Interest	9,000	14,984	5,984	10,000	17,794	7,794
Other	13,000	12,364	(636)	14,142	23,660	9,518
Interfund loans	0	10,000	10,000	0	13,642	13,642
Transfers in	6,900	4,173	(2,727)	6,000	6,877	877
<b>Total Receipts</b>	<b>999,055</b>	<b>1,064,582</b>	<b>65,527</b>	<b>868,308</b>	<b>1,041,260</b>	<b>172,952</b>
<b>DISBURSEMENTS</b>						
County Commission	67,238	65,936	1,302	41,535	41,491	44
County Clerk	61,738	60,466	1,272	58,424	57,652	772
Elections	2,400	1,459	941	36,286	37,138	(852)
Buildings and grounds	66,244	65,806	438	63,649	49,672	13,977
Employee fringe benefits	123,000	124,626	(1,626)	93,000	94,433	(1,433)
County Treasurer	35,319	34,508	811	27,115	26,453	662
County Collector	68,646	68,391	255	64,119	65,759	(1,640)
Circuit Clerk	25,047	22,508	2,539	26,492	21,190	5,302
Associate Circuit Court	8,500	5,851	2,649	7,500	7,025	475
Court administration	23,372	12,291	11,081	23,441	26,908	(3,467)
Public Administrator	9,275	22,819	(13,544)	8,650	32,200	(23,550)
Sheriff	257,951	256,994	957	214,204	212,581	1,623
Jail	82,000	81,086	914	48,000	54,865	(6,865)
Prosecuting Attorney	109,954	110,069	(115)	91,502	98,933	(7,431)
Juvenile Officer	34,363	30,568	3,795	44,919	43,830	1,089
County Coroner	7,100	6,818	282	7,500	7,434	66
Other	119,784	96,275	23,509	104,999	104,536	463
Interfund loans	0	10,000	(10,000)	0	0	0
Transfers out	53,040	53,040	0	35,252	35,252	0
Emergency Fund	30,000	0	30,000	31,000	12,889	18,111
<b>Total Disbursements</b>	<b>1,184,971</b>	<b>1,129,511</b>	<b>55,460</b>	<b>1,027,587</b>	<b>1,030,241</b>	<b>(2,654)</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(185,916)</b>	<b>(64,929)</b>	<b>120,987</b>	<b>(159,279)</b>	<b>11,019</b>	<b>170,298</b>
<b>CASH, JANUARY 1</b>	<b>430,490</b>	<b>430,490</b>	<b>0</b>	<b>419,471</b>	<b>419,471</b>	<b>0</b>
<b>CASH, DECEMBER 31</b>	<b>\$ 244,574</b>	<b>365,561</b>	<b>120,987</b>	<b>260,192</b>	<b>430,490</b>	<b>170,298</b>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 140,000	176,085	36,085	155,000	140,925	(14,075)
Intergovernmental	653,870	670,839	16,969	615,483	654,713	39,230
Charges for services	8,500	5,938	(2,562)	5,000	9,752	4,752
Interest	5,000	4,479	(521)	4,000	4,870	870
Other	0	0	0	0	16,333	16,333
Interfund loans	0	10,000	10,000	0	0	0
Transfers in	18,000	18,000	0	0	0	0
<b>Total Receipts</b>	<b>825,370</b>	<b>885,341</b>	<b>59,971</b>	<b>779,483</b>	<b>826,593</b>	<b>47,110</b>
<b>DISBURSEMENTS</b>						
Salaries	282,556	302,783	(20,227)	270,000	267,550	2,450
Employee fringe benefits	80,500	84,191	(3,691)	72,000	61,321	10,679
Supplies	73,000	76,676	(3,676)	80,000	63,037	16,963
Insurance	15,000	15,283	(283)	15,000	12,500	2,500
Road and bridge materials	123,000	155,537	(32,537)	106,000	98,648	7,352
Equipment repairs	90,000	101,528	(11,528)	72,000	87,955	(15,955)
Equipment purchases	201,821	144,876	56,945	207,015	222,465	(15,450)
Construction, repair, and maintenance	40,000	0	40,000	0	0	0
Other	24,500	40,960	(16,460)	21,800	18,551	3,249
Interfund loans	0	10,000	(10,000)	0	0	0
<b>Total Disbursements</b>	<b>930,377</b>	<b>931,834</b>	<b>(1,457)</b>	<b>843,815</b>	<b>832,027</b>	<b>11,788</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(105,007)</b>	<b>(46,493)</b>	<b>58,514</b>	<b>(64,332)</b>	<b>(5,434)</b>	<b>58,898</b>
CASH, JANUARY 1	110,919	110,919	0	116,353	116,353	0
CASH, DECEMBER 31	\$ 5,912	64,426	58,514	52,021	110,919	58,898

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 ASSESSMENT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 81,316	82,173	857	91,878	86,805	(5,073)
Interest	500	921	421	0	646	646
Other	0	0	0	18,887	0	(18,887)
Transfers in	35,040	35,040	0	35,252	35,252	0
Total Receipts	<u>116,856</u>	<u>118,134</u>	<u>1,278</u>	<u>146,017</u>	<u>122,703</u>	<u>(23,314)</u>
DISBURSEMENTS						
Assessor	116,856	107,528	9,328	127,130	104,110	23,020
Interfund loans	0	0	0	13,642	13,642	0
Total Disbursements	<u>116,856</u>	<u>107,528</u>	<u>9,328</u>	<u>140,772</u>	<u>117,752</u>	<u>23,020</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	10,606	10,606	5,245	4,951	(294)
CASH, JANUARY 1	11,245	11,245	0	6,294	6,294	0
CASH, DECEMBER 31	<u>\$ 11,245</u>	<u>21,851</u>	<u>10,606</u>	<u>11,539</u>	<u>11,245</u>	<u>(294)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT TRAINING FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 1,121	1,138	17	2,480	1,121	(1,359)
Interest	16	14	(2)	23	17	(6)
Total Receipts	<u>1,137</u>	<u>1,152</u>	<u>15</u>	<u>2,503</u>	<u>1,138</u>	<u>(1,365)</u>
DISBURSEMENTS						
Sheriff	<u>1,300</u>	<u>1,397</u>	<u>(97)</u>	<u>2,700</u>	<u>906</u>	<u>1,794</u>
Total Disbursements	<u>1,300</u>	<u>1,397</u>	<u>(97)</u>	<u>2,700</u>	<u>906</u>	<u>1,794</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(163)	(245)	(82)	(197)	232	429
CASH, JANUARY 1	790	790	0	558	558	0
CASH, DECEMBER 31	<u>\$ 627</u>	<u>545</u>	<u>(82)</u>	<u>361</u>	<u>790</u>	<u>429</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY TRAINING FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 750	464	(286)	1,100	523	(577)
Interest	0	7	7	0	15	15
Total Receipts	750	471	(279)	1,100	538	(562)
DISBURSEMENTS						
Prosecuting Attorney	550	779	(229)	725	522	203
Total Disbursements	550	779	(229)	725	522	203
RECEIPTS OVER (UNDER) DISBURSEMENTS	200	(308)	(508)	375	16	(359)
CASH, JANUARY 1	456	456	0	440	440	0
CASH, DECEMBER 31	\$ 656	148	(508)	815	456	(359)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit G

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY BAD CHECK FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 7,000	7,170	170	6,500	6,935	435
Interest	0	93	93	0	48	48
Total Receipts	<u>7,000</u>	<u>7,263</u>	<u>263</u>	<u>6,500</u>	<u>6,983</u>	<u>483</u>
DISBURSEMENTS						
Prosecuting Attorney	0	105	(105)	500	0	500
Transfers out	6,900	4,173	2,727	6,000	6,877	(877)
Total Disbursements	<u>6,900</u>	<u>4,278</u>	<u>2,622</u>	<u>6,500</u>	<u>6,877</u>	<u>(377)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	100	2,985	2,885	0	106	106
CASH, JANUARY 1	1,627	1,627	0	1,521	1,521	0
CASH, DECEMBER 31	<u>\$ 1,727</u>	<u>4,612</u>	<u>2,885</u>	<u>1,521</u>	<u>1,627</u>	<u>106</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit H

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	1,250	928	(322)	2,970	1,265	(1,705)
Charges for services	\$ 820	92	(728)	1,014	828	(186)
Interest	60	19	(41)	60	67	7
Other	400	20	(380)	1,179	425	(754)
Total Receipts	<u>2,530</u>	<u>1,059</u>	<u>(1,471)</u>	<u>5,223</u>	<u>2,585</u>	<u>(2,638)</u>
DISBURSEMENTS						
Sheriff	3,200	1,883	1,317	3,000	5,530	(2,530)
Total Disbursements	<u>3,200</u>	<u>1,883</u>	<u>1,317</u>	<u>3,000</u>	<u>5,530</u>	<u>(2,530)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(670)	(824)	(154)	2,223	(2,945)	(5,168)
CASH, JANUARY 1	835	835	0	3,780	3,780	0
CASH, DECEMBER 31	\$ <u>165</u>	<u>11</u>	<u>(154)</u>	<u>6,003</u>	<u>835</u>	<u>(5,168)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit I

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 RECORDER USER FEE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 6,500	5,950	(550)	5,000	6,026	1,026
Interest	175	183	8	200	169	(31)
Total Receipts	<u>6,675</u>	<u>6,133</u>	<u>(542)</u>	<u>5,200</u>	<u>6,195</u>	<u>995</u>
DISBURSEMENTS						
Ex Officio Recorder of Deeds	6,063	6,433	(370)	8,000	6,063	1,937
Total Disbursements	<u>6,063</u>	<u>6,433</u>	<u>(370)</u>	<u>8,000</u>	<u>6,063</u>	<u>1,937</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	612	(300)	(912)	(2,800)	132	2,932
CASH, JANUARY 1	7,026	7,026	0	6,894	6,894	0
CASH, DECEMBER 31	<u>\$ 7,638</u>	<u>6,726</u>	<u>(912)</u>	<u>4,094</u>	<u>7,026</u>	<u>2,932</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit J

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LOCAL EMERGENCY PLANNING COMMISSION FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	1,600	1,711	111	2,600	1,699	(901)
Total Receipts	1,600	1,711	111	2,600	1,699	(901)
DISBURSEMENTS						
Emergency planning	2,400	1,687	713	3,630	2,724	906
Total Disbursements	2,400	1,687	713	3,630	2,724	906
RECEIPTS OVER (UNDER) DISBURSEMENTS	(800)	24	824	(1,030)	(1,025)	5
CASH, JANUARY 1	2,288	2,288	0	3,313	3,313	0
CASH, DECEMBER 31	\$ 1,488	2,312	824	2,283	2,288	5

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit K

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 VICTIMS OF DOMESTIC VIOLENCE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 580	545	(35)	700	580	(120)
Interest	20	3	(17)	0	18	18
Total Receipts	600	548	(52)	700	598	(102)
DISBURSEMENTS						
Domestic violence shelter	600	592	8	600	1,100	(500)
Total Disbursements	600	592	8	600	1,100	(500)
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(44)	(44)	100	(502)	(602)
CASH, JANUARY 1	119	119	0	621	621	0
CASH, DECEMBER 31	\$ 119	75	(44)	721	119	(602)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit L

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SHERIFF CIVIL FEE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	6,400	4,940	(1,460)	3,500	6,443	2,943
Interest	80	50	(30)	0	83	83
Total Receipts	<u>6,480</u>	<u>4,990</u>	<u>(1,490)</u>	<u>3,500</u>	<u>6,526</u>	<u>3,026</u>
DISBURSEMENTS						
Sheriff	6,000	5,940	60	1,125	6,685	(5,560)
Total Disbursements	<u>6,000</u>	<u>5,940</u>	<u>60</u>	<u>1,125</u>	<u>6,685</u>	<u>(5,560)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	480	(950)	(1,430)	2,375	(159)	(2,534)
CASH, JANUARY 1	2,426	2,426	0	2,585	2,585	0
CASH, DECEMBER 31	<u>\$ 2,906</u>	<u>1,476</u>	<u>(1,430)</u>	<u>4,960</u>	<u>2,426</u>	<u>(2,534)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

DOUGLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 COMBINED ENFORCEMENT TEAM FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Intergovernmental	2,400	0	(2,400)
Interest	29	23	(6)
Total Receipts	<u>2,429</u>	<u>23</u>	<u>(2,406)</u>
DISBURSEMENTS			
Sheriff	2,400	1,463	937
Total Disbursements	<u>2,400</u>	<u>1,463</u>	<u>937</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	29	(1,440)	(1,469)
CASH, JANUARY 1	1,512	1,512	0
CASH, DECEMBER 31	<u>\$ 1,541</u>	<u>72</u>	<u>(1,469)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit N

DOUGLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SHERIFF EQUIPMENT FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Intergovernmental	630	8,275	7,645
Interest	9	47	38
Total Receipts	<u>639</u>	<u>8,322</u>	<u>7,683</u>
DISBURSEMENTS			
Sheriff	639	4,848	(4,209)
Total Disbursements	<u>639</u>	<u>4,848</u>	<u>(4,209)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	3,474	3,474
CASH, JANUARY 1	639	639	0
CASH, DECEMBER 31	<u>\$ 639</u>	<u>4,113</u>	<u>3,474</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit O

DOUGLAS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 FAMILY ACCESS FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	50	125	75
Interest	0	2	2
Total Receipts	50	127	77
DISBURSEMENTS			
Sheriff	0	0	0
Total Disbursements	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	50	127	77
CASH, JANUARY 1	25	25	0
CASH, DECEMBER 31	\$ 75	152	77

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit P

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CENTER FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 150,000	161,715	11,715	146,992	133,957	(13,035)
Intergovernmental	328,400	384,924	56,524	330,359	337,220	6,861
Charges for services	175,300	95,776	(79,524)	262,950	177,376	(85,574)
Interest	12,000	8,490	(3,510)	8,000	12,480	4,480
Other	19,890	31,317	11,427	4,710	6,392	1,682
Total Receipts	<u>685,590</u>	<u>682,222</u>	<u>(3,368)</u>	<u>753,011</u>	<u>667,425</u>	<u>(85,586)</u>
<b>DISBURSEMENTS</b>						
Salaries	540,461	500,747	39,714	598,583	524,109	74,474
Office expenditures	55,414	44,705	10,709	65,310	57,030	8,280
Equipment	9,389	8,889	500	9,113	3,467	5,646
Mileage and training	62,219	53,248	8,971	50,115	48,151	1,964
Buildings and grounds	2,408	1,908	500	4,500	1,874	2,626
Other	42,075	38,535	3,540	89,422	84,405	5,017
Total Disbursements	<u>711,966</u>	<u>648,032</u>	<u>63,934</u>	<u>817,043</u>	<u>719,036</u>	<u>98,007</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(26,376)</u>	<u>34,190</u>	<u>60,566</u>	<u>(64,032)</u>	<u>(51,611)</u>	<u>12,421</u>
CASH, JANUARY 1	129,934	128,883	(1,051)	180,716	180,494	(222)
CASH, DECEMBER 31	<u>\$ 103,558</u>	<u>163,073</u>	<u>59,515</u>	<u>116,684</u>	<u>128,883</u>	<u>12,199</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit Q

DOUGLAS COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SUPPORT THE HANDICAPPED BOARD FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 56,000	65,973	9,973	50,000	48,862	(1,138)
Intergovernmental	200	378	178	1,100	668	(432)
Interest	8,500	9,126	626	9,000	7,776	(1,224)
Total Receipts	64,700	75,477	10,777	60,100	57,306	(2,794)
DISBURSEMENTS						
Contractual Services	84,000	49,378	34,622	200,000	30,512	169,488
Total Disbursements	84,000	49,378	34,622	200,000	30,512	169,488
RECEIPTS OVER (UNDER) DISBURSEMENTS	(19,300)	26,099	45,399	(139,900)	26,794	166,694
CASH, JANUARY 1	176,621	175,676	(945)	142,438	148,882	6,444
CASH, DECEMBER 31	\$ 157,321	201,775	44,454	2,538	175,676	173,138

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

DOUGLAS COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Douglas County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, or the Health Center Board, or the Support the Handicapped Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1999, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Combined Enforcement Team Fund	1998
Sheriff Equipment Fund	1998
Family Access Fund	1998
County Bridges Fund	1999 and 1998
Sheriff's Equitable Sharing Fund	1999
Circuit Clerk Interest Fund	1999 and 1998
Law Library Fund	1999 and 1998
Associate Circuit Division Interest Fund	1999 and 1998

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
General Revenue Fund	1998
Special Road and Bridge Fund	1999
Law Enforcement Training Fund	1999
Prosecuting Attorney Training Fund	1999
Prosecuting Attorney Bad Check Fund	1998
Law Enforcement Fund	1998
Recorder User Fee Fund	1999
Victims of Domestic Violence Fund	1998
Sheriff Civil Fee Fund	1998
Sheriff Equipment Fund	1999

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Support the Handicapped Board Fund	1999 and 1998
Prosecuting Attorney Delinquent Tax Fund	1999 and 1998
County Bridges Fund	1999 and 1998
Sheriff's Equitable Sharing Fund	1999
Circuit Clerk Interest Fund	1999 and 1998
Law Library Fund	1999 and 1998
Associate Circuit Division Interest Fund	1999 and 1998

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1999, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The Health Center Board's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the health center's custodial bank in the health center's name.

Of the Support the Handicapped Board's bank balance at December 31, 1999, \$190,133 was covered by federal depository insurance and \$11,925 was uninsured and under collateralized.

The Support the Handicapped Board's deposits at December 31, 1998, were entirely covered by federal depository insurance.

Furthermore, because of higher bank balances at certain times during the year, the amounts of uninsured and uncollateralized balances of the Support the Handicapped Board were substantially higher at those times than such amounts at year-end.

To protect the safety of county deposits, Section 110.020, RSMo 1994, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

Supplementary Schedule

Schedule

DOUGLAS COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-8133	\$ 0	41,070
		ER0045-9133	35,571	13,701
		ER0045-0133	12,223	0
	Program Total		<u>47,794</u>	<u>54,771</u>
Office of Administration				
10.665	Schools and Roads - Grants to States	N/A	63,779	54,794
U.S. DEPARTMENT OF DEFENSE				
Passed through state Department of Public Safety -				
12.unknown	Surplus Property	N/A	0	3,205
U.S. DEPARTMENT OF JUSTICE				
Direct programs:				
16.710	Public Safety Partnership and Community Policing Grants	97-UM-WX-1184	33,170	18,698
16.unknown	Equitable Sharing of Seized and Forfeited Property	N/A	50,589	0
Passed through:				
State Department of Public Safety -				
16.554	National Criminal History Improvement Program	N/A	0	4,750
16.592	Local Law Enforcement Block Grants Program	98-LBG-030	4,848	0
Missouri Sheriffs' Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	1,014	897
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO-034(1)	0	37,622
		BRO-034(3)	24,397	0
	Program Total		<u>24,397</u>	<u>37,622</u>
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	194	118

Schedule

DOUGLAS COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31, 1999	1998
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through state Department of Public Safety:				
83.523	Emergency Food and Shelter National Board Program	N/A	800	1,000
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ERO146-0133	0	150
93.268	Immunization Grants	ERO146-8133	12,119	13,499
Department of Social Services -				
93.563	Child Support Enforcement		23,206	21,616
Department of Health -				
93.575	Child Care and Development Block Grant	ERO146-7133	0	368
		ERO146-9133	400	83
		PG0067-8133	0	520
		PG0067-9133	470	245
		PGA067-0133	185	0
	Program Total		<u>1,055</u>	<u>1,216</u>
Department of Health -				
93.940	HIV Prevention Activities - Health Department Based	N/A	82	161
93.945	Assistance Program for Chronic Disease Prevention and Control	C90625-9001	1,200	0
93.991	Preventive Health and Health Services Block Grant	AOC00380204	22,168	27,339
93.994	Maternal and Child Health Services Block Grant to the States	ERO146-8133	0	14,963
		ERO146-9133	15,393	2,599
		ERO146-0133	3,714	0
		ERO175-7133	0	295
		ERO175-8133	0	3,485
		ERO175-9133	3,002	1,276
		ERO175-0133	1,242	0
		N/A	631	920
	Program Total		<u>23,982</u>	<u>23,538</u>
	Total Expenditures of Federal Awards		<u>\$ 310,397</u>	<u>263,374</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule

DOUGLAS COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Douglas County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals. . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Surplus Property (CFDA number 12.unknown) and Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of the property at the time of receipt.

Amounts for the National Criminal History Improvement Program (CFDA number 16.554) represent the original acquisition cost of equipment received.

Of the pass through amounts for Immunization Grants (CFDA number 93.268) \$10,604 and \$10,119 represent the original acquisition cost of vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$126 and \$263 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$631 and \$920 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants, the Preventive Health and Health Services Block Grant, and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$50,589 to a subrecipient under the Equitable Sharing of Seized and Forfeited Property (CFDA number 16.unknown) during the year ended December 31, 1999.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission  
and  
Officeholders of Douglas County, Missouri

Compliance

We have audited the compliance of Douglas County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Douglas County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998. However, the results of our auditing procedures disclosed

instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 99-1 through 99-2.

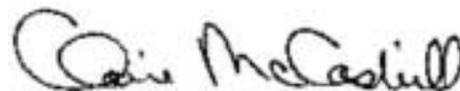
### Internal Control Over Compliance

The management of Douglas County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as findings number 99-1 through 99-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above are material weaknesses.

This report is intended for the information of the management of Douglas County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

August 7, 2000 (fieldwork completion date)

Schedule

DOUGLAS COUNTY, MISSOURI  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
 YEARS ENDED DECEMBER 31, 1999 AND 1998

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?        yes   x   no

Reportable conditions identified that are not considered to be material weaknesses?        yes   x   none reported

Noncompliance material to the financial statements noted?        yes   x   no

Federal Awards

Internal control over major programs:

Material weaknesses identified?        yes   x   no

Reportable condition identified that is not considered to be a material weakness?   x   yes        none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?   x   yes        no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.665	Schools and Roads – Grants to States

16.710 Public Safety Partnership and Community Policing Grants  
16.unknown Equitable Sharing of Seized and Forfeited Property

Dollar threshold used to distinguish between Type A  
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? \_\_\_\_\_ yes      x   no

## Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## Section III - Federal Award Findings and Questioned Costs

This section includes the audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

<b>99-1</b>	<b>Schedule of Expenditures of Federal Awards</b>
-------------	---

Federal Grantor:	U.S. Department of Agriculture
Pass-Through Grantor:	Department of Health
Federal CFDA Number:	10.557
Program Title:	Special Supplemental Nutrition Program for Women, Infants, and Children
Pass-Through Entity	
Identifying Number:	ERO045-8133, ER0045-9133, and ER0045-0133
Award Year:	1999 and 1998
Questioned Costs:	Not applicable
Federal Grantor:	U.S. Department of Agriculture
Pass-Through Grantor:	Office of Administration
Federal CFDA Number:	10.665
Program Title:	Schools and Road – Grants to States
Pass-Through Entity	
Identifying Number:	Not applicable
Award Year:	1999 and 1998
Questioned Costs:	Not applicable

Federal Grantor: U.S. Department of Justice  
Pass-Through Grantor: Not applicable  
Federal CFDA Number: 16.710  
Program Title: Public Safety Partnership and Community Policing Grants  
Pass-Through Entity  
Identifying Number: 97-UM-WX-1184  
Award Year: 1999 and 1998  
Questioned Costs: Not applicable

Federal Grantor: U.S. Department of Justice  
Pass-Through Grantor: Not applicable  
Federal CFDA Number: 16.unknown  
Program Title: Equitable Sharing of Seized and Forfeited Property  
Pass-Through Entity  
Identifying Number: Not applicable  
Award Year: 1999  
Questioned Costs: Not applicable

Section .310(b) of Circular A-133, *Audits of State and Local Government, and Nonprofit Organizations*, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the schedule of expenditures of federal awards to the State Auditor's Office as a part of the annual budget.

The county does not have adequate procedures in place to track federal awards for the preparation of the SEFA. For the years ended December 31, 1999 and 1998, the county's SEFA contained numerous errors and omissions. For example, expenditures relating to several federal grants were reported incorrectly or not included on the schedules. Most programs reported did not include the required pass-through grantor's number. In addition, some non-federal programs were included. In 1999 the county only reported expenditures for two of its 19 federal programs, resulting in expenditures being understated by approximately \$235,321.

For the federal financial schedules to adequately reflect the county's federal financial assistance expenditures, it is necessary that all federal financial expenditures be properly reported. Without an accurate SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.

**WE RECOMMEND** the County Clerk prepare a complete and accurate schedule of expenditures of federal awards and submit the schedule to the State Auditor's office as part of the annual budget.

**AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION**

*The County Clerk and County Commission provided the following response:*

*We will work to ensure the SEFA for 2000 is prepared accurately.*

**99-2**

**COPS Grant Procedures**

Federal Grantor:	U.S. Department of Justice
Pass-Through Grantor:	Not applicable
Federal CFDA Number:	16.710
Program Title:	Public Safety Partnership and Community Policing Grants
Pass-Through Entity	
Identifying Number:	97-UM-WX-1184
Award Year:	1999 and 1998
Questioned Costs:	Not applicable

In July 1997, the county was awarded \$54,040 in federal assistance from the U.S. Department of Justice under the COPS Universal Hiring program, and in April 1998, they were awarded another \$54,040 as part of a supplemental award. Each grant was awarded for a three year period and was intended to cover the salary costs of an additional deputy for the Sheriff's department. The grant program allowed for funds to be received in advance or by reimbursement during the period of the grant.

The Sheriff's department was responsible for filing requests for payment under this grant program, and has made only one request and received \$21,133 in grant funds in June 1998. As of August 2000, no additional payment requests have been filed, and the county had not received any additional grant funds. As a result of this situation, \$52,607 in available grant funds through June 30, 2000 has been expended, but has not been requested or received by the county.

The failure to submit requests for payment on a timely basis places an unnecessary financial burden on the county and could result in the loss of grant funds. To ensure the county gets all grant funds to which it is entitled, requests for payment should be submitted to the grantor agency on a timely basis.

**WE RECOMMEND** the County Commission and the Sheriff ensure the reimbursement of the grant funds in question are pursued to the extent possible. In addition, the county should ensure requests for payment related to any future grant programs are submitted on a timely basis.

**AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION**

*The County Clerk and County Commission provided the following response:*

*We will work closely with the Sheriff to ensure grant monies are received in a timely manner.*

*The Sheriff provided the following response:*

*The Sheriff's office will work to ensure grant monies are received in a timely manner.*

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

DOUGLAS COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the three years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

DOUGLAS COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Our prior audit report issued for the three years ended December 31, 1997, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

SECTION ON OTHER MATTERS

DOUGLAS COUNTY, MISSOURI  
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Douglas County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 7, 2000. We also have audited the compliance of Douglas County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 7, 2000.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audits of the special-purpose financial statements of Douglas County and of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Nevertheless, the county should consider these matters and take appropriate corrective action.

1. Expenditures

The county did not solicit or advertise for bids for some purchases, including equipment totaling \$4,848 purchased with federal monies from the Local Law Enforcement Block Grant Fund. In addition, while the County Commissioners sign county warrants/checks, their approval of expenditures is not always documented.

2. Budgetary Procedures

Budgets were not prepared for some county funds. Disbursements were made in excess of approved budgets for various county funds. The annual published financial statements did not include some county funds.

3. Personnel and Payroll Procedures

The county does not compensate Sheriff department employees for overtime worked or allow them to earn compensatory time. The county needs to review the provision of the Fair Labor Standards Act on the applicability to these employees. In addition, officials or supervisors do not always sign time sheets to document approval of payroll expenditures.

The county overpaid the Coroner by \$500 in 1998 and has not adjusted subsequent salary payments to correct the overpayment.

4. Health Center

The method of payment is not always recorded on receipts and reconciled to the composition of bank deposits. Receipts are not deposited daily or when accumulated receipts exceed \$100. The Administrator's review of monthly bank reconciliations is not documented. The Health Center did not always issue Form 1099 to applicable businesses or individuals.

5. Support the Handicapped Board

The Board Treasurer does not maintain a book balance for monthly reconciliations to the reconciled bank amount. As a result, beginning cash balances were not accurately reported on the Support the Handicapped Board's annual budget.

The Support the Handicapped Board does not monitor bank balances to ensure funds are adequately secured. As a result, funds were unsecured at various times during the years ended December 31, 1999 and 1998.

Official board meeting minutes were not always properly maintained.

The Support the Handicapped Board's cash balance has increased from \$148,882 at January 1, 1998 to \$201,775 at December 31, 1999. The board's budgets do not indicate that the cash balance is being reserved for significant future projects. The board should determine its future needs, and consider such information when setting future tax levies.

This letter on Other Matters is intended for the information of the management of Douglas County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.